

16 ting forth the name and address of the issuer, the total amount of
 17 securities sold for which exemption is claimed under this subsection,
 18 and the names and addresses of the purchasers thereof."

Approved April 15, 1963.

CHAPTER 297

REGULATION OF SECURITIES AGENTS

H. F. 196

AN ACT relating to regulation of securities agents and dealers under the Iowa securities law.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section five hundred two point eleven (502.11), Code
 2 1962, is amended by inserting after the word "repute" in line thirty-
 3 five (35) the words "and has proven his competence to act as a dealer".

1 SEC. 2. Section five hundred two point eleven (502.11), Code 1962,
 2 is amended by inserting after the word "character" in line forty-three
 3 (43) the words "and competence".

1 SEC. 3. Section five hundred two point eleven (502.11), Code 1962,
 2 is amended by adding the following new paragraph after line forty-
 3 nine (49):
 4 "The commissioner of insurance may by a rule provide for an
 5 examination, which may be written or oral, or both, to be taken by
 6 first-time applicants who apply for registration in order to determine
 7 the skill, competency and training of such applicants. The commis-
 8 sioner of insurance shall require payment of an examination fee of
 9 five (5) dollars for each examination taken which fee shall be in addi-
 10 tion to registration fees hereinafter provided."

Approved April 23, 1963.

CHAPTER 298

DEGREES BY ACADEMIC CORPORATIONS

H. F. 251

AN ACT relating to the power of academic corporations to confer degrees.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section five hundred four point twelve (504.12), Code
 2 1962, is amended by adding at the end thereof a new paragraph as
 3 follows:
 4 "Where academic corporations are merged and the surviving aca-
 5 demic corporation is located in Iowa, then the work of comparable

6 academic status, taken in the other academic corporation or corpora-
 7 tions, shall be considered as suitable for inclusion in the year of resi-
 8 dent work required for a degree. This shall include academic cor-
 9 porations outside the state of Iowa that may be merged with Iowa
 10 academic corporations."

Approved May 9, 1963.

CHAPTER 299

DOMESTIC INSURANCE COMPANIES

S. F. 445

AN ACT relating to the organization of domestic insurance companies.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Chapter five hundred six (506), Code 1962, is hereby
 2 repealed and the following substituted therefor:

3 "1. The commissioner of insurance shall promulgate such reason-
 4 able rules and regulations as he deems necessary to assure the proper
 5 operation of newly organized insurance companies but in no event
 6 shall he:

7 (a) require that more than twenty percent (20%) of the original
 8 capital and surplus of a stock corporation subject to the provisions of
 9 this chapter be invested by the organizers; or

10 (b) restrict the alienation of securities issued to organizers for a
 11 period of more than:

12 (1) five (5) years, or

13 (2) until the operation of the insurance company produces earned
 14 surplus for two (2) successive years.

15 "2. Neither the securities in an insurance company, nor securities
 16 in a holding company, one of the purposes of which is to organize,
 17 purchase, or otherwise acquire control of an insurance company, nor
 18 membership in an association in process of organization shall be sold
 19 or solicited until such company or association, and the promoters
 20 thereof, shall have first complied with all of the statutory provisions
 21 regulating the organization of such companies and associations, and
 22 also have secured from the commissioner of insurance a certificate
 23 indicating full compliance with the provisions of this chapter.

24 "3. Before the commissioner of insurance shall issue such certifi-
 25 cate of compliance, he shall first be satisfied with the general plan of
 26 such organization and the character of the advertising to be used:
 27 he shall also see that all rules and regulations promulgated under this
 28 chapter have been complied with and fix the time within which such
 29 organization shall be completed; he shall also prescribe the method
 30 of keeping books and accounts of insurance companies and those of
 31 fiscal agents of corporations subject to the provisions of this chapter.

32 "4. The maximum promotion expense which may be incurred shall
 33 in no case exceed fifteen percent (15%) of the par value of said stock,
 34 and no portion of such amount shall be used in the payment of sal-